

CALIFORNIA MEDICAL ASSOCIATION

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Program of the California Medical Association for the Improvement of Medical Care

The following program for the improvement of medical care was adopted by the Council of the California Medical Association at its meeting May 8, 1949, and approved unanimously by the House of Delegates on May 10, 1949. The program is a development of previous programs adopted by the Association for the improvement of the public health. The committee which prepared it received assistance from programs adopted by other state medical associations as well as from that of the American Medical Association.

1. **Health Insurance.** Further development and wider coverage by voluntary medical care and hospital plans (both medical association and insurance company sponsored) to meet the costs of illness. Aid to the indigent by utilization of these plans by the several counties, with local administration and determination of needs.
2. **Public Health.** Coordination and integration of all public health activities, except those of the medical services of the armed forces, under the state department of public health. Incorporation in local public health units of such services as communicable disease control, vital statistics, environmental sanitation, control of venereal diseases, maternal and child hygiene and public health communicable disease laboratory services.
3. **Rural Care.** Encouragement of the development by professional and lay organizations of medical and hospital services for rural areas, and of the integration of these services with regional county hospitals and small institutions.
4. **Mental Hygiene.** Continued development of the state program of mental hygiene.
5. **Chronic Diseases and the Aged.** Aid by the voluntary and state welfare agencies, combined with professional and other services, in the provision of care and rehabilitation of the aged, and those with chronic disease, and various other groups not covered by existing arrangements.
6. **Industrial and Preventive Medicine.** Greater emphasis on the program of industrial medicine, with increased safeguards against industrial hazards and prevention of accidents occurring on the highway, home and on the farm.
7. **Veterans' Medical Care.** Integration of veterans' medical care and hospital facilities with other medical care and hospital programs and with the maintenance of high standards of medical care, including care of the veteran in his own community by a physician of his choice. Cooperation of the C.M.A. with veterans' organizations in the continued development of good medical care.
8. **Health Education.** Health education programs administered through suitable local educational, health and medical agencies to inform the people of available facilities, and of their own responsibilities in health care.
9. **Medical Education and Personnel.** Promotion of private financial assistance to medical, dental and nursing schools and other institutions necessary for the training of specialized personnel required in the provision and distribution of medical care. Revision of income tax and estate tax laws so as to encourage people to donate needed assistance to medical and associated professional education.
10. **Medical Research.** Continued promotion of medical research through private grants to institutions equipped and staffed to carry on qualified research.
11. **Postgraduate Medical Education.** Expansion of the postgraduate medical training program of the California Medical Association, to assist practitioners in rural areas in keeping abreast of latest advances in medical science.

The New President-Elect



In electing Dr. Donald Cass of Los Angeles to the office of President-elect of the California Medical Association, the Association has done itself and the profession of medicine a service.

Dr. Cass, a native son of California, was born in Los Angeles, March 13, 1892. He received his education in the public schools of Los Angeles, Stanford University and the Stanford University School of Medicine, receiving his Bachelor of Arts degree in 1914 and the degree of Doctor of Medicine in 1917. He served an internship in Stanford University Hospital and immediately entered the United States Army, in which he served in World War I with the rank of first lieutenant, Medical Corps.

On June 29, 1917, he was married to Miss Leona Waite at Visalia. Dr. and Mrs. Cass have a charming family consisting of one daughter and two sons. Dr. Cass has been in practice in Los Angeles since 1919 and is an outstanding type of general practitioner. He has served on the staff of the Los Angeles General Hospital and was for four years instructor in medical diagnosis in the College of Medical Evangelists at Los Angeles. Among his contributions to the medical literature is an outstanding article published in *The Journal of the American Medical Association* and entitled "The Diagnosis, Treatment and Outlook of Patients with Circulatory Asthenia."

Dr. Cass has been very active in the work of the county and state medical associations, having served

several terms as a member of the council of each organization. For many years he has been chairman of the Committee on Industrial Practice of the California Medical Association and has been largely responsible for the various industrial fee schedules. He was twice president of the staff of the Queen of Angels Hospital in Los Angeles and during World War II served as a senior surgeon in the United States Public Health Service. He is now serving his third term as a delegate to the American Medical Association, where his service has been outstanding.

The California Medical Association is indeed fortunate to have at its command the services of such a man as Dr. Donald Cass and may look forward confidently to an administration which will not only reflect credit upon himself but will serve his profession.

C.P.S. Administrative Members' Meeting

Two evening meetings of administrative members of California Physicians' Service were held during the C.M.A. convention in Los Angeles on May 8 and 10. Both were outstanding for the support and interest shown in the growth and adaptation of C.P.S. to better meet the needs of beneficiary and physician members.

The meetings were chairmanned by Dr. Lowell S. Goin, president of the C.P.S. board of trustees. In his opening speech, he referred to compulsory bills now pending not as "health" plans, but as "compulsory sickness taxes." He referred to an editorial which appeared in the San Francisco *Chronicle*, lauding C.P.S. for the new offer of memberships for individuals in 17 northeastern counties, and urged administrative members to take no actions which might induce a paper such as the *Chronicle* to reverse its stand regarding the ability of voluntary plans to stem the tide of compulsory sickness tax plans.

Dr. Chester L. Cooley, outgoing secretary of the board, presented a resume of action taken by the board during the eleven meetings held during the past year. He lauded the work of the fee schedule committee in the time and effort expended in eliminating inequities in present C.P.S. fees. He reported that good progress had been made toward establishment of a reserve fund as recommended by administrative members last year; and that the veterans' home town care program is continuing to meet with wide public and governmental acceptance. The appointment of special review committees, by individual county medical societies, has also progressed rapidly, Dr. Cooley reported.

Mr. William M. Bowman, C.P.S. executive director, gave the business report, which indicated that during the past fiscal year reserves have increased from \$185,288 to \$943,359, and that the surplus increase for the year was \$758,071, as against \$580,433 during the previous year. Bowman said the

reserve for unreported claim is now \$1,460,988, as against \$1,091,444 during the year 1947-48.

Following these reports, Dr. E. Vincent Askey, outgoing C.M.A. President, introduced Dr. L. Howard Schriver, president of Associated Medical Care Plans, who presented an A.M.C.P. plaque to Dr. Goin in national recognition of the contribution and leadership of C.P.S. in the national field of voluntary health care. "Just ten years ago the doctors of California, through the California Medical Association, said: 'While the rest of the nation talks about it—let's go ahead and do the job. . .'" He praised the administrative members for the record C.P.S. has written; for the example it has set for the plans of other states.

Following the presentation from the floor of resolutions, and the study and recommendations of the resolution committee, headed by Dr. Donald Cass of Los Angeles, the following were forwarded to the C.P.S. board of trustees for further consideration and final action:

(1) A resolution that the C.P.S. administration be instructed to secure additional actuarial and statistical information, for purposes of further study of C.P.S. costs and benefits.

(2) A resolution that physician members be required to submit a written notification of resigna-

tion, to be effective thirty days following the publication of the next printed directory of physician members. These directories are to be issued at least every six months.

(3) A resolution that income ceilings be changed to a \$3,000 gross income for single persons and \$3,600 gross income for members with dependents.

(4) A resolution that physician members be instructed to refer C.P.S. patients to physician-owned laboratories in the future.

Considerable interest was elicited in connection with a proposed new billing form (No. 9) for physicians. This would require the C.P.S. member himself to state his income and give his membership status, relieving the doctor of this responsibility.

The appointment to the board of Dr. Kendrick Smith of Los Angeles and Dr. John Rumsey of San Diego was confirmed by the administrative members. Dr. T. Eric Reynolds of Oakland and Dr. Frank A. MacDonald of Sacramento were nominated and elected to fill the terms vacated by Dr. Chester L. Cooley and Dr. A. E. Moore. Rt. Rev. Msgr. Thomas J. O'Dwyer was reelected to the board, and Thomas Hadfield of San Francisco, vice-president of the American Mutual Liability Insurance Company, was elected to fill the vacancy in the board requiring a non-physician member.



Progress in the Campaign Against Compulsory Health Insurance

The following is an address before the House of Delegates of the California Medical Association by Clem Whitaker of Whitaker & Baxter, directors of the National Education Campaign of the American Medical Association.

Everywhere we go, in the East and Middle West, Baxter* and I are asked to tell what has become known as "The California Story"—and you can be very proud of the high regard in which the California Medical Association is held.

If the national fight against Compulsory Health Insurance is won—and of course it *must* be won—the strategy and plans first developed here, in this House of Delegates, back in 1945 and 1946, will be a major factor in the victory.

Here, we decided, it wasn't enough to just beat a bill. We had to resolve a problem. We had to provide the people with prepaid medical care!

Nationally, that same decision has become one of the foundation stones of the campaign. American medicine isn't going to be content just to beat a bill. American medicine is going to help the American people resolve a problem!

Here, in California, we developed the theme—THE VOLUNTARY WAY IS THE AMERICAN WAY—and then we proceeded to build the Voluntary Systems and give substance to that theme.

Today, that theme—first put down on paper in this hotel, in 1945—has become the slogan of the national campaign. Soon millions of Americans will know that theme because there's a new pamphlet, which Baxter has written, running off the presses now—entitled: THE VOLUNTARY WAY IS THE AMERICAN WAY!

Within another year, let us assure you of this, there won't be any American who doesn't know that he can buy budget-basis medical care for his family—and there won't be any state in the United States without a vigorous promotion campaign for Voluntary Health Insurance.

Sometimes one has to leave his home state to get proper perspective on it—and to have a proper appreciation of the stature of its leaders.

I wish you could all know, as we know, how well the country thinks of California medicine—and the progressive program which California doctors have sponsored.

I wish you could know the pride which we feel when we see the esteem in which your leaders are held.

I wish you could know, too, how the other states feel about the tremendous strides which California Physicians' Service has made—and how eager they are to pattern after it.

Here, at home, in close perspective, we see all the imperfections; we know all the little, daily vexations—but go to New England, as I did recently, and

*Leone Baxter of Whitaker & Baxter.

you'll get a respectful, attentive audience every time you mention the program of California medicine.

There's a lot of local pride in all the states, as there should be, and many of the more progressive states today are backing ambitious medical programs which are winning acclaim, too, and which will be tremendously helpful in stemming the tide of socialization.

There's going to be some very vigorous rivalry between the states to develop new and better means of combatting political medicine—and that's a healthy development which Whitaker & Baxter certainly are encouraging.

All over this land, doctors are learning to practice on the body politic—and are becoming very proficient in the art of political persuasion. We have the evidence of their work in our files—and every day brings a new deluge of letters, not just from the officers of medical societies, but from rank and file doctors everywhere who have enlisted in the fight to save their profession.

Perhaps you still wonder about the doctors who seldom attend their medical society meetings; about the doctors who are so completely absorbed in their practice and their academic and scientific pursuits—you wonder whether they will respond, now that the decisive battle is nearing.

We can give you some first-hand evidence on that score.

There are still thousands of doctors who apparently don't know their house is on fire, but every day a few more smell the smoke—and join the fire department!

We are hearing from them at the rate of about 3,000 letters a week—and we have no way of knowing, of course, how many thousands of letters, phone calls and personal enlistments are being received in county and state medical societies.

By the way, if some of you don't hear from us quite as promptly as you think you should, when you write in for information, that load of correspondence is one of the reasons.

Our outgoing mail, including our mass-mailings to community leaders over the country, has become so heavy that we have had to buy a power-driven stamp-cancelling machine to handle the volume. Special mailings to special groups, just for the next two weeks, will total over a million pieces.

But let me give you a few clues as to how medicine is responding, even at this early stage of the campaign—and the magnitude of a nation-wide campaign, of course, means that it takes longer to get the wheels in motion.

Orders for the new poster of the Fildes painting, "The Doctor," captioned, "Keep Politics Out of This Picture"—which is to be displayed in doctors' offices, as the keynote of our campaign—are rolling in at the rate of about 1,000 a day. And we are now filling the orders for this poster on the same day they are received.

Our objective is to have 50,000 of these posters actually up, on display in doctors' offices, within the next 60 days. If that goal is achieved, we will know

that at least 50,000 doctors in America have joined the crusade to keep American medicine free—and you may be sure that President Truman and the members of Congress will know it, too!

But if we are really determined to build an impregnable defense against socialization; if we really want to command new respect for the medical profession in the halls of Congress and throughout the nation, we can't stop when we achieve that objective.

Eventually—it may take six months, or even a year, to achieve this goal—we need 100,000 doctors' offices in America displaying the Fildes poster.

That means we need help from all of you—and all other leaders in medicine—in lighting the crusading fires.

To the men of medicine, this poster should become a *symbol of enlistment*—a notice to their profession and their patients that they have taken their stand against political medicine!

When that poster is on display, it should mean that no patient ever will leave that office before the doctor has taken a minute or two of his time to tell the story of Compulsory Health Insurance—and the disastrous results it would bring, if enacted in this country.

It should mean, too, that every patient who needs Voluntary Health Insurance will be encouraged by the doctor to get the type of coverage that best suits his requirements.

Because the poster will quicken interest of the people waiting in the doctor's reception room, Baxter has a special pamphlet on the press now, with a miniature reproduction of the Fildes painting on the cover. It is a brief, popular treatment of the subject, which can be read on the run—and *two million copies* will be available for shipment to state and county medical societies within the next ten days. This pamphlet, which also can be used as a letter-enclosure, is designed especially for use in doctors' offices.

You may think, as you listen to these plans, that we want every doctor to become a campaigner—and every doctor's office to function as part of a nation-wide pamphlet distribution system. Let's be frank: That's exactly what we want—and that's what your campaign desperately needs!

This isn't just another skirmish in the fight against socialization.

This is the decisive battle that will determine the fate of American medicine for generations to come.

Within just a few days, the congressional hearings open in Washington—and once they have started, there will be no letup in this fight until one side or the other has been decisively defeated.

The next two or three years will determine whether you are to remain in the private practice of medicine. *And if the decision once goes against medicine, there will be no turning back; there will be only a tightening of the lockstep you walk in!*

Your professional life is at stake! The health of America is at stake!

Our liberty—and everything we count important—is in jeopardy!

This isn't just a battle to save medicine. This is the most crucial battle that will be fought in our lifetimes—to save America, to turn back the tide of Socialism and despotism before it is too late.

This is an emergency—and we are calling all doctors!

It is without doubt the greatest emergency any of you ever have confronted in all your years of practice.

Not just one life hangs in the balance, but the life of a nation is in your hands—a nation that has become the last hope of all the liberty-loving people of the world.

Is it then too much to ask that every doctor become a campaigner?

There isn't a man or woman in medicine worthy of the high ideals of your profession who wouldn't respond to an emergency call if the life of a person, or a family, or a community was in danger.

But this emergency is so vast that it is hard to grasp.

If it is even hard to arouse many of the doctors of America, think how much harder it is going to be to arouse all the people of this country to the full implications of this struggle.

This truth we know—and this truth we must somehow make America know:

When medicine is socialized; when doctors and their patients are regimented, the beginning of the end is in sight. It is one of the final, irreparable steps toward complete state socialism. And at the end of that road is human degradation and misery . . . loss of incentive, loss of human dignity, loss of everything that means most to free men.

There are many men who will call us extremists when we make such statements—when we rip through the pages of obscure text in the Truman program and reveal the real intent of the act. They are cousins of the same men who saw no danger in Compulsory Health Insurance when it was first adopted in Great Britain. And today Britain is plunging headlong toward a regimented society that will blot out every vestige of liberty for the British people, unless the tide is turned back.

Perhaps some of your doctor friends, when you tell them about this—if they are impressed with the gravity of the issue—will exclaim: "What is A.M.A. doing about this?" "What is our national campaign headquarters doing?" "What happened to our \$25?"

We want to answer those questions frankly, because every doctor has a right to know what's going on in Chicago.

First, let us make one emphatic statement for the records, because A.M.A. needs your confidence and your aggressive support—and you need a militant, fighting A.M.A. leading this battle:

A.M.A. may have had many shortcomings in the past. It may still have some . . . because any great organization usually has. But the new A.M.A. that is leading this battle is a heads-up, fighting organization that will gladden your hearts. It has found that it can step militantly into this greatest public issue

of our time, without sacrificing an iota of its dignity—or of its significance as a great scientific institution.

The Board of Trustees and the Coordinating Committee of A.M.A., to whom we look for authority in the management of the campaign, have backed us up every step of the way, even on difficult policy decisions which might bring down criticism on all of us. Dr. Elmer L. Henderson, the chairman of the Board of Trustees and also chairman of the Coordinating Committee in charge of the campaign, is a grand soldier, with a fighting heart and a tireless devotion to his job. And Dr. Lull, the A.M.A.'s General Manager, whom most of you know, is as fine a general today as he was when he wore Uncle Sam's uniform.

I am making this statement tonight because Whitaker & Baxter are in Chicago only because of the confidence which many of you imposed in us—and because this issue to us seemed to transcend every other consideration.

We have no desire to stay in Chicago beyond this term of servitude—and the sooner we can get this job done and get back to California, the happier we will be. But because you got us into this, we think you ought to know that we have had splendid support from A.M.A.—and we hope with all our hearts that out of this fight will come a strong, united medical profession, with confidence and pride in its leadership. Of course, it can't be disputed that having a few top-ranking California doctors in the higher councils of A.M.A. may have something to do with the happy report we are rendering.

If, by this statement, I have given the impression that all is sweetness and light in Chicago—and that every day dawns brightly—I want to correct that impression immediately.

Since the first day we arrived in Chicago it seems there has been a crisis every hour, on the hour—with minor revolts and disruptions sandwiched in between. We never dreamed there could be so many internal problems in internal medicine! But some of the biggest disruptions and problems, which threatened the success of the campaign, have been entirely cleared away—and other serious problems are slowly yielding to treatment.

More than anything else, it is imperative that we have a united front—and that is one of the objectives toward which we have been working, with the warm-hearted backing of A.M.A.'s policy-making boards.

One policy that is firmly established is this:

There are going to be no punches pulled in this battle. If you read Dr. Henderson's reply to President Truman, you will know what I mean.

American medicine has been a whipping-boy for political demagogues far too long—and this fight can't be won by policies of compromise or appeasement. A few doctors thought we were too tough with the President, but most of the mail, I am glad to report, indicated that the doctors liked the militancy of Dr. Henderson's statement.

Already a shift has quietly started in this campaign—and medicine is gradually emerging from a defensive position. That shift won't be accomplished overnight, because the advocates of socialization, with the White House and the Federal Security Administration as sounding boards for their propaganda, have powerful facilities to reach the people. But before this year is out, I think you will find a great change in public sentiment.

All of us in Chicago, since the campaign began, have been doing our utmost to broaden the front—and win new allies for medicine. That work is starting to pay dividends. The action of the General Federation of Women's Clubs in going on record against Compulsory Health Insurance was a stunning defeat for President Truman and Oscar Ewing. They had sent a staff of government department heads and workers to the convention, hoping to forestall our drive for Federation action in support of medicine's cause. Even Mrs. Roosevelt and Senator Pepper showed up at the convention, but when the votes were counted only three of the 2,000 delegates supported the Truman program. That is a dramatic demonstration of the clear thinking of foremost women in this country. It is demonstration, too, of the power of doctors—and doctors' wives—when they really go to work . . . and it should give all of us increased confidence.

Only a few days ago another powerful organization—the National Fraternal Congress of America, representing several hundred of the strongest lodges and fraternal orders in the nation—also took its stand beside the medical profession and went on record against Compulsory Health Insurance.

The American Farm Bureau Federation, the American Legion, the American Bar Association—and scores of other powerful organizations—have come into the fight against socialization . . . so that medicine need not stand alone.

HELP FROM OTHER ORGANIZATIONS

In the past 10 days, the list of organizations supporting medicine's position—in the country at large—has jumped from 178 to 518. The organization drive in the states and counties has rolled into high gear in most sections of the country, and we have an objective here, too: By the end of the year, we hope there will be at least 5,000 organizations in America on record against Compulsory Health Insurance—and in favor of Voluntary Health Insurance.

Likewise the educational work with some of the powerful *national magazines* and newspapers, which had previously been unsettled in their position on this issue, has started to bring results. We're getting some barbs along with the editorial endorsements of medicine's position, but we *are* making progress—and overcoming misunderstanding and ill will of long standing.

When the chips are down, and the critical roll-calls come on this issue, I think you will find that medicine will have staunch support.

Now what about that \$25? What's that going into? Thus far our expenditures have been comparatively modest, but our staff has been built and trained now, the presses are running, with orders that total millions of pieces, and costs are mounting!

If all goes well, we will issue and distribute *100 million pamphlets* during the next twelve months—probably the heaviest pamphlet barrage ever laid down in America, except during a presidential campaign.

THE HIGH PRICE OF LIBERTY

That costs money. It takes a lot of \$25 contributions to buy a million pamphlets—and nothing we issue is in quantities of less than a million. That's a minimum order when you are splitting the shipment between 48 states—and most of our mass-mailing pieces will run into many millions of copies.

Our opponents have criticized us for having too much money. But they would *pity* us if we didn't have the money! In a fight like this, no matter what we do, there'll be lots of bitter criticism. That's part of the breakage in a battle for survival—and this is that kind of battle.

No matter what this campaign costs in money, it will cost much more in time and energy—and in tireless work by doctors and thousands of others all over the country.

The \$25 a doctor gives, in most instances, will be the smallest part of his contribution. The time he gives away from his practice; the evenings he spends away from his family, addressing meetings; the hours invested in moulding public opinion for his profession—these will all be costly contributions.

But no matter what the cost, in money, in energy, in frustrations and irritations, and even in damage to health, the cost will still be just a fraction of the terrific price we would pay if this fight were lost.

We have fought two world wars in defense of our liberty, so we have no illusions about the cost of freedom.

The *price* of liberty comes high—but the *loss* of liberty; that's a price none of us can afford to pay.

Let us give you this strong, personal assurance:

This fight *can* be won—and it *will* be won! It simply *must* be won!

And in the winning of it, all of you—and all of the other doctors, throughout America, who get into the battle—will contribute to the well-being of this nation in greater measure than you ever have had the opportunity to do before.

This is the greatest challenge any of us ever has confronted. With socializers on the march all over the world, *we* have been given the task of reversing that trend. That's the stupendous responsibility—and the wonderful opportunity—which has been given the doctors of America. It is an opportunity to change the course of history . . . to defend our good way of life, and to leave a priceless inheritance to generations yet unborn. American medicine, I am confident, will be equal to the job!

Two U.S. Senators Attack Compulsory Health Insurance

Two United States Senators—a Democrat and a Republican—joined recently in a vigorous attack on President Truman's plan for federal compulsory health insurance, describing it as a vital issue that transcends all political party lines.

Senator Allen Ellender, Louisiana Democrat, and Senator Harry P. Cain, Washington Republican, condemned the plan as a dangerous proposal which would create a mammoth Government bureaucracy, provide inferior medical care, impose an unpredictable tax burden on the people and pave the way for the ultimate regimentation of our entire national life.

The two Senators spoke before 600 California business, farm and civic leaders at a dinner meeting held in the Palace Hotel under the sponsorship of the California Medical Association and presided over by Dr. Ray Lyman Wilbur, former president of Stanford University. Their addresses were broadcast over a western regional radio network.

"Compulsory health insurance will do violence to our way of life," Senator Ellender said. "It will destroy initiative, incentive, and freedom of action, the handmaidens of a system that has given us the highest standard of living and the best medical care of any nation on earth."

Senator Cain declared that the adoption of compulsory health insurance would regiment not only American doctors but also American patients—"and that means every man, woman, child, and infant in this country."

"As a member of the Senate who has observed, at close quarters for 13 years, the inefficiencies of Government administration," Senator Ellender said, "it requires no stretch of my imagination to picture the chaos and confusion, and the enormous administrative cost of a medical program conducted under political direction."

Politically-controlled medical systems "hamstring both doctors and patients with a frustrating maze of Government regulations and serial-number medical methods," according to Senator Cain, who added:

"Those who suffer are the people who are really sick and who need careful, personal attention at the proper time—not at a time and in a manner prescribed by a Government clerk or a mimeographed regulation. The inevitable, tragic result of such an impersonal system is a progressive decline in the people's health."

Senator Ellender declared that "the loudest cries for socialized medicine have come from the Government planners, always seeking another experimental toy; the Socialists, who openly advocate absolute government control; the Communists, who support any proposition that may disrupt our economy and ripen our country for revolution; the loafers, who seek any opportunity to get something for nothing."

Commenting that the proponents of compulsory health insurance "dislike to be pinned down on such practical matters as the cost of their scheme," Senator Cain said that numerous experts on medical economics, public health, and taxation have predicted "ultimate annual costs ranging from 10 to 18 billion dollars, a 6 per cent payroll tax just to get the system in operation, and an eventual pay-check tax rate of 10 or 12 per cent."

Declaring that suggestions of extremists must be rejected and that a solution must be found within the framework of the free enterprise system, Senator Ellender said:

"I call upon you, the doctors, and you, the people, to come forth and assert yourselves. You will find a substantial majority of your law-makers eager to cooperate with you in the development of a sound and adequate program, one that will accomplish the purpose without extinguishing the light of freedom that has made America great."

Senator Cain pointed to the rapid growth of voluntary health insurance, describing it as the truly American way to cushion the financial burden of sickness. He reported that 55 million people now have 80 million policies giving them the kind of hospital, surgical, or medical coverage they want.

"When we look at the record of our national progress in the field of voluntary health insurance," Senator Cain said, "it becomes crystal clear that the American people are meeting this problem and neither need nor want governmental interference."

Council Meeting Minutes

Tentative Draft: Minutes of the 358th Meeting of the Council of the California Medical Association, San Francisco, March 5-6, 1949.

The meeting was called to order by Chairman Bruck at 8:00 p.m., Saturday, March 5, 1949, in Room 261, St. Francis Hotel, San Francisco.

Roll Call:

Present were President Askey, President-Elect Kneeshaw, Speaker Alesen, Vice-Speaker Charnock, Councilors Bruck, Ball, Crane, Henderson, Ray, Lum, Pollock, Green, Cherry, MacLean, Hoffman, Shipman, Bailey and Thompson, and Secretary Garland.

A quorum present and acting.

Present by invitation were Executive Secretary Hunton, Legal Counsel Hassard, Mr. Ben Read, executive secretary of the Public Health League of California, Messrs. Clem Whitaker, Clem Whitaker, Jr., and Ned Burman of public relations counsel, Assistant Executive Secretary Wheeler, Field Secretary Clancy, county society executive secretaries

Glenn Gillette of Fresno, Rollen Waterson of Alameda, Frank Kihm of San Francisco, and Kenneth C. Young of San Diego; Dr. Dwight H. Murray, chairman of the Committee on Public Policy and Legislation and Dr. Donald Cass, chairman of the Committee on Industrial Practice.

1. Minutes:

(a) Minutes of the 357th meeting of the Council, held December 18-19, 1948, were approved.

(b) Minutes of the 213th meeting of the Executive Committee, held January 23, 1949, were approved.

2. Membership:

(a) A report of membership, showing 5,877 dues paid, 3,568 members whose 1949 dues have not yet been received, was received and ordered filed.

(b) On motion duly made and seconded in each case, eleven 1947 members whose 1948 dues have been received since the last Council meeting were voted reinstatement as active members.

(c) On motion duly made and seconded in each case, 18 applicants for Retired Membership were voted so elected. These were:

Alameda County: George T. Honaker, Charles E. Mooser.

Los Angeles County: Henry J. Andrews, Leslie C. Audrain, Mary Hess Brown, Samuel K. Jamentz, Ernest Marshall Johnstone, E. D. Kremers, Frank Edison Long, Ray Robert Miller, Richard F. Mogan, Arthur C. Thorpe.

San Diego County: Thomas F. Wier.

San Francisco County: George K. Herzog, G. H. Mize, Kaspar Pischel, Hugo A. Wahl, John West Wilson.

Ventura County: Walter F. Mosher.

(d) On motion duly made and seconded in each case, nine applicants were elected to Life Membership. These were:

Alameda County: A. M. Field, J. R. Masterson, A. M. McIntosh, Roderick O'Connor.

Humboldt County: Eugene V. Falk.

Los Angeles County: Ralph W. Bucknam, Henry H. Lissner.

San Diego County: John Francis White.

Tehama County: Frank L. Doane.

(e) On motion duly made and seconded in each case, 25 applicants were elected to Associate Membership. These were:

Alameda County: N. N. Ashley, Susan Danielson, Jesse C. Edwards, Thomas O. Lake, Frederick C. Mackenbrock, Jonas N. Muller, Ralph W. Newton, Jr., Harriet West Nielson, Alberta W. Parker, William O. Reinhardt, Edward S. Rogers, Frederick Sherwood, Richard S. Yocum, David Van der Slice.

Riverside County: Magdalene H. Corr, Robert S. Westphal.

Sacramento County: Herbert Notkin.

San Bernardino County: Virgil M. Pinkley.

San Francisco County: Felix C. Mapa.

Santa Clara County: Kristian Johnson.

Santa Cruz County: Joseph A. McMullin.

Ventura County: Alexander Auger, Gwen McCullough.

Marin County: Cornwall Everman.

Santa Barbara County: Charles G. Baird.

(f) On motion duly made and seconded in each case, 20 applicants were granted a reduction of dues because of protracted illness or absence from practice in pursuit of postgraduate instruction. These were:

Alameda County: Max Lowell, Jack Stein, Roy P. Stoops.

San Diego County: Robert E. Austin, Bert Dannenberg, Harold L. Fisher.

San Francisco County: Robert E. Berner, Barnett E. Bonar, Patrick Butler, Leo Eloesser, Floyde J. Field, Frederick G. Gillick, Jesse Jacobsen, Hedda Kornfeld, Harold LeBlond, Neil McCloy, Maury Misrack, Leibert J. Sandars, Reagan South, Emily Woelz.

(g) Discussion was held on the need of aiding medical students and house officers to ascertain basic aspects of medical economics and it was regularly moved, seconded and voted that medical students and house officers be urged to form their own organizations for self-education in the principles of sound effective private practice, and that the A.M.A. be asked to take appropriate steps to encourage this activity.

3. Financial:

(a) A report of bank balances as of March 4, 1949, was received and ordered filed.

(b) A balance sheet as of February 28, 1949, was received and ordered filed.

(c) Reports of revenues and expenditures for February and for the eight months ended February 28, 1949, for the Association and for *California Medicine* were received and ordered filed.

(d) The Executive Secretary reported that to date \$126,707.50 had been received from members toward the A.M.A. 1949 assessment.

4. Public Relations of the American Medical Association:

Dr. John W. Cline appeared by invitation and discussed the program for participation by state medical associations in the nationwide public relations program of the A.M.A. He reported that Drs. M. L. Montgomery of San Francisco and R. O. Bullis of Los Angeles had been appointed members of the "Committee of 53" of the American Medical Association, the national group of state representatives to serve as liaison officers between the A.M.A. and the state associations in the national public relations campaign. Dr. Cline asked that these appointments be confirmed and that provision be made for holding meetings in the northern and southern areas for business and civic leaders, to advise them on the aims of the A.M.A. program.

On motion duly made and seconded, the appointments of Drs. Montgomery and Bullis on the A.M.A. committee were confirmed.

On motion duly made and seconded, it was voted to hold meetings in the northern and southern areas to acquaint business and civic leaders with the objectives of the campaign. A chairman for this purpose is to be appointed by the Executive Committee. (Dr. Ben Frees of Los Angeles was appointed by the Executive Committee.)

5. *Industrial Medical and Surgical Fees:*

(a) Dr. Donald Cass, chairman of the Committee on Industrial Practice, discussed the status of the Association's proposed schedule of fees for industrial medicine and surgery and pointed out that the Industrial Accident Commission had tabled the Association's petition for adoption of a new fee schedule and had announced its intention of honoring the 1946 fee schedule only until June 30, 1949. Dr. Cass also stated that some industrial insurance companies had decided that the 1946 fees should apply in all cases and that the Association's recommendation to its members that the proposed 1949 fee schedule be put into effect February 1, 1949, had been offset by the decision of the insurance carriers to honor only the earlier schedule. He suggested that a committee might be appointed to meet with a committee proposed by the insurance carriers with a view toward securing full adoption of the Association's new schedule of fees.

On motion duly made and seconded, it was voted that a committee be appointed to meet with a committee representing the insurance carriers, to attempt to secure full adoption of the Association's fee schedule, the committee to consist of Dr. Cass as chairman, Drs. Carl Hoag, Ross Harbaugh and Charles O. Bechtol from the northern area and Drs. George Jones, Carl Johnson and John Gillis from the Los Angeles area.

On motion duly made and seconded, it was voted that a letter be sent to all members of the Association, outlining the status of the new fee schedule, suggesting that members continue to bill for industrial cases on the basis of the new schedule but that members be permitted, if they so wish, to accept up until June 30, 1949, payment from insurance carriers on the basis of the 1946 schedule.

(b) Dr. Cass presented to the Council a manual prepared by a committee under the chairmanship of Dr. Packard Thurber, dealing with proposed standardization of joint function measurement. On motion duly made and seconded, it was voted that the Council accept this manual and commend Dr. Thurber and his associates for their work.

6. *Legal Department:*

(a) Mr. Hassard presented a request from a member, inquiring into the consideration of ethics where physicians serve as limited partners in a pathological laboratory operated by or with a licensed laboratory technologist as the sole general partner and where profits are distributed on the

basis of ownership and not for work directed to the laboratory. A special committee was named to draft a reply to this question and reported (Sunday, March 6, 1949) its decision, which held that such a partnership must be construed as in violation of the principles of medical ethics in that it would constitute the rendering of services in conjunction with and for the profit of a layman. A reply along these lines was submitted and approved.

(b) Mr. Hassard reported that the Association of California Hospitals was considering the formation of a cooperative insurance company to issue professional liability insurance for hospitals and was inquiring into the desirability of including in such insurance surgeons operating in the hospitals. It was regularly moved, seconded and voted that the hospital association be notified that the California Medical Association does not recommend the inclusion of physicians in such a proposed hospital policy.

(c) Mr. Hassard also reported that the California Supreme Court has not yet decided *Sinz v. Owens*, a case involving standards of practice applicable to general practitioners.

Recess:

At this point, 11:45 p.m., the Council recessed until 9:00 a.m., Sunday, March 6, 1949.

Reconvention:

The Council reconvened in Room 261, St. Francis Hotel, San Francisco, at 9:00 a.m., Sunday, March 6, 1949.

Roll Call:

On roll call, all those noted present March 5 were present. In addition, Councilor Anderson and Editor Wilbur were present.

Present by invitation were those listed March 5, with the exception of Dr. Donald Cass.

Present by invitation during a part of the meeting were Dr. Wilton L. Halverson, state director of public health; Dr. C. L. Cooley, secretary, Mr. William M. Bowman, executive director, and Mr. John McMahon, assistant director, of California Physicians' Service; Joseph Donovan, executive secretary of the Santa Clara County Medical Society, and Mr. Glenn O. Everman, director of a hospital fund-raising organization.

A quorum present and acting.

7. *Memorial to Los Angeles Chamber of Commerce:*

On motion by Cherry, seconded by Henderson, the Council voted unanimously to adopt a resolution commending the Los Angeles Chamber of Commerce for its constructive efforts in behalf of the extension of voluntary sickness insurance and in opposition to compulsory sickness insurance.

8. *Council Appointments:*

(a) On motion duly made and seconded, Dr. Edgar Wayburn was appointed a member of the

Editorial Board of *California Medicine* to fill the unexpired term of the late Lambert B. Coblentz.

(b) On motion duly made and seconded, Dr. Robert Dennis was appointed a member of the Committee on Scientific Work to fill the unexpired term of Dr. William Russell, who has moved from the state.

9. *Tuberculosis Control Program:*

(a) Dr. H. Gordon MacLean reported for a special committee appointed to study a proposed tuberculosis control program; copies of the committee report had previously been distributed. Several additions and amendments were offered and approved and the amended report, on motion duly made and seconded, was approved.

(b) Discussion was held on the part to be played by county medical societies in cooperating with state and federal authorities in conducting mass chest surveys and it was agreed that the county societies should be fully represented on the operating committees conducting these surveys.

10. *Other Organizations:*

(a) Discussion was held on the existence of the increasing number of so-called "health and medical associations" and it was pointed out that certain of these were operated by laymen, did not come under the purview of the state insurance commissioner and did not offer a free choice of physicians to subscribing members. Legal counsel pointed out that any physician who contracts with such organizations might be held guilty of violating provisions of the medical practice act, as well as the principles of medical ethics. It was reported that a bill now before the state Legislature would provide for the control of such organizations by the insurance commissioner. On motion duly made and seconded, it was voted that the Association lend its support to this legislation and notify its members, through letters to county society secretaries and an editorial in the journal, of the dangers inherent in closed panel proprietary organizations.

(b) Dr. Hoffman reported on his meeting with the California Ambulance Association, paid tribute to the motives followed by this new organization in formulating standards of service and noted the desire of the ambulance operators to make their services conform with the wishes of physicians. The association at its meeting adopted a resolution in opposition to the establishment of a system of compulsory sickness insurance and instructed its attorneys to work for the defeat of state legislative bills toward this end.

11. *California Physicians' Service:*

Dr. C. L. Cooley, secretary of California Physicians' Service, reported that a new C.P.S. fee schedule was about ready for adoption, that physician membership in C.P.S. is now about 9,600, and that the board of trustees is considering the advisability of changing the income ceiling for service coverage

to a gross family income of \$4,000 annually instead of a net of \$3,000. Dr. Cooley also placed before the Council the possibility of financing a trip to Great Britain for a physician, an accountant and a writer who would review the practice of medicine in that country under the government socialized scheme and prepare a report for presentation to both professional and legislative bodies. There was discussion of this project and it was regularly moved and seconded that the Association provide financing for it. On vote, the motion was lost.

Mr. W. M. Bowman distributed copies of the C.P.S. financial report as of January 31, 1949, which showed a balance of \$930,768 in the unit stabilization fund reserve. As of February 28 this figure was tentatively calculated at more than \$1,000,000.

12. *New Mexico Physicians' Service:*

Mr. Hunton reported that executives of California Physicians' Service had reviewed the operations of New Mexico Physicians' Service in conformity with the request of the Council and had made numerous suggestions for improving the operating position of the organization. He also read a letter from Dr. John Conway, N.M.P.S. president, which stated that the financial position of N.M.P.S. was declining and that a proposal was under consideration to liquidate the organization and turn existing business over to a group of insurance carriers which would provide indemnification coverage, with a service type of coverage to members under an agreed-upon income ceiling at fees approved by the physicians. Such liquidation would produce between \$8,000 and \$10,000 for repayment of the funds advanced by the California Medical Association, with the possibility of additional funds for this purpose arising from the insurance companies' operations. Continuation of the present program would require additional financing. After full discussion it was regularly moved, seconded and voted that the C.M.A. state to N.M.P.S. its inability to advance further funds and to urge it to undertake the best available means of liquidation which would assure a continued service to the public and return the greatest possible credit to apply against loan funds advanced.

13. *Appearance of Mr. Glenn O. Everman:*

Mr. Everman appeared before the Council and urged that physicians take an active part in civic affairs, so that such ventures as privately endowed or erected hospitals might secure wide support.

14. *C.M.A. Employees' Retirement Program:*

Dr. Charnock, chairman of the Council committee on employee retirement, proposed that a formula be established for providing severance compensation to female employees leaving the Association for reasons acceptable to the Council. After discussion it was moved, seconded and voted to consider this proposal after further investigation.

15. *Proposed Model Hospital Radiology Contract:*

Mr. Hassard reviewed the situation since completion of the proposed model contract for hospitals and radiologists. On motion duly made and seconded, the Council voted to approve publication of the proposed contract, and to pursue efforts to make such a contract effective.

16. *Special Committee on Alcoholism:*

A report by the Council's special committee on alcoholism was presented and discussed. On motion duly made and seconded, it was voted to accept the report, order an abstract of it printed in the pre-convention issue of the journal and extend to Dr. Cullen Ward Irish, chairman, and the members of the committee the warm commendation of the Council for the production of an outstanding report. Dr. Murray reported that a bill now before the Legislature would create a bureau on alcoholism in the State Department of Public Health and provide an advisory committee on which the Association would be represented.

17. *California Conference of Local Health Officers:*

Drs. H. D. Chope and S. F. Farnsworth, health officers of San Mateo and Alameda counties, respectively, appeared before the Council, reported on the formation of this organization under terms of legislation adopted in 1947 and requested that a joint committee be established as liaison between the organization and the Council. On motion duly made and seconded, it was voted that a Council committee be named for this purpose, the chairman to make appointments.

18. *Public Policy and Legislation:*

Dr. Murray, Mr. Read and Mr. Hassard discussed several bills pending before the California Legislature and pointed out that 4,939 bills and resolutions have been introduced in this session, 452 of them having been found to have a bearing on the public health or the practice of medicine.

Mr. Read reported that the Hon. Jonathan J. Hollibaugh, Assemblyman from Huntington Park, has been active in stressing the financial aspects of proposed compulsory health insurance proposals in his current campaign to secure reduced expenditures and taxes. On motion duly made and seconded, it was voted to express to Mr. Hollibaugh the appreciation of the Council for his efforts in this direction.

19. *Annual Session:*

Discussion was held on the advisability of suggesting that the President of the Association be advised to discontinue the reception held prior to the annual President's Dinner. The problem of finding suitable space for, as well as defraying the cost of, this reception has risen greatly in recent years, and now seemed an undue financial burden on the President. On motion duly made and seconded, it was voted that this reception be cancelled as a feature of the annual session.

20. *U. S. Navy Medical Officer Needs:*

Report was made that the U. S. Navy has notified the Association that it needs 122 additional medical officers in the California area and requests the continued cooperation of the Association in securing these physicians. Such cooperation has previously been voted.

21. *World Medical Association:*

A request from the World Medical Association for the C.M.A. to become a member through the payment of a \$2,000 fee was read and discussed. On motion duly made and seconded, it was voted to defer action on this request at this time but to make provision for the distribution of World Medical Association literature at the annual session for the benefit of members who might wish to become individual members of W.M.A.

22. *Nurse Recruitment:*

A request for the Association to contribute \$2,500 toward a fund to be used in encouraging the registration of additional student nurses was discussed and it was regularly moved, seconded and voted to defer action pending information concerning conjunct contributions.

23. *Practical Nurse Legislation:*

A request for the Association to be represented at a meeting to discuss the several proposals now before the Legislature to establish a system of practical nurse registration and control over practical nurse training was discussed and it was regularly moved, seconded and voted to refer this matter to the Executive Committee for further consideration.

Time and Place of Next Meeting:

It was regularly moved, seconded and voted that the time and place of the next meeting be at the call of the chairman.

Adjournment: 6:10 p.m., Sunday, March 6, 1949.

In Memoriam

BONOFF, KARL MAX. Died in Los Angeles, May 11, 1949, aged 57, in an automobile accident. Graduate of the College of Physicians and Surgeons, Los Angeles, 1914. Licensed in California in 1914. Dr. Bonoff was a member of the Los Angeles County Medical Association, the California Medical Association, and a Fellow of the American Medical Association.



CHURCH, BURT THOMAS. Died in Los Angeles, March 12, 1949, aged 51. Graduate of the University of Nebraska College of Medicine, Omaha, 1923. Licensed in California in 1941. Dr. Church was a member of the Los Angeles County Medical Association, the California Medical Association, and a Fellow of the American Medical Association.



COTTLE, CASSIUS CLAY. Died in Los Angeles, April 28, 1949, aged 84. Graduate of Rush Medical College, Chicago,